



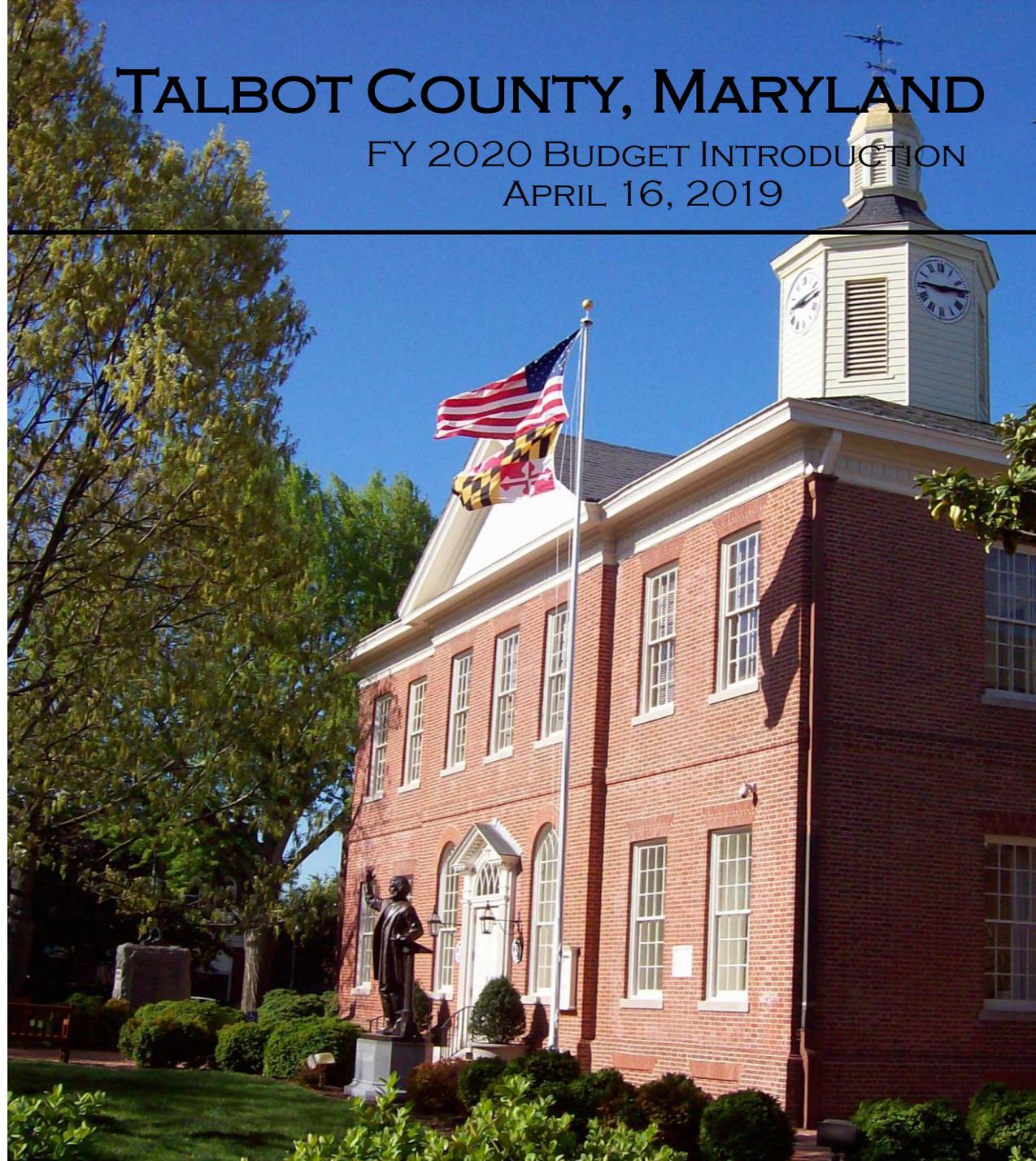
FY 2020
Proposed
General Fund Budget

\$91,913,000

Current FY 2019
General Fund Budget
\$92,038,750

TALBOT COUNTY, MARYLAND

FY 2020 BUDGET INTRODUCTION
APRIL 16, 2019





TALBOT COUNTY, MARYLAND

FY 2020 PROPOSED BUDGET

Budget Overview

- The County Council received funding requests for Operating and Capital Outlay of \$98,962,440, which is \$6.9 million dollars more than the current FY 2019 budget.
- The FY 2020 Budget reflects a slight decrease from the current General Fund Budget. This Budget is funded in part with revenues of almost \$4.0 million from Prior Year Fund Balance.
- Great effort was taken in the development of this budget which maintains current services for our citizens while continuing to maintain two of the lowest tax rates (Property Tax and Income Tax) in the state.



PROPERTY TAX CAP

FY 2020 PROPOSED BUDGET

In order to fund expenses for the public school system, the Talbot County Council has proposed to override the voter imposed Property Tax Revenue Cap. This is authorized by State law in order to fund Education expenses only. This budget proposes to override the tax cap by \$1,345,500, which correlates to an increase of 1.8¢ in the Real Property Tax rate.



PROPERTY TAX RATES

FY 2020 PROPOSED BUDGET

County Property Tax Rates – 2019

<u>County</u>	<u>Rate</u>	<u>County</u>	<u>Rate</u>
Baltimore City	\$2.248	Caroline	\$0.980
Charles	\$1.141	Montgomery	\$.0981
Baltimore	\$1.100	Allegany	\$0.975
Frederick	\$1.060	Washington	\$0.948
Harford	\$1.042	Wicomico	\$0.9398
Cecil	\$1.0414	Calvert	\$0.937
Kent	\$1.022	Carroll	\$1.018
Howard	\$1.014	Anne Arundel	\$0.902
Dorchester	\$1.000	St. Mary's	\$0.8478
Prince George's	\$1.000	Queen Anne's	\$0.8471
Somerset	\$1.000	Worcester	\$0.835
Garrett	\$0.990	Talbot *	\$0.6322 <i>(up from</i>

.6061 -Includes Educational Supplement of \$0.018)

**FY 2020 Proposed*



INCOME TAX RATES

FY 2020 PROPOSED BUDGET

County Income Tax Rates – 2019 *(3.20% Max)*

<u>County</u>	<u>Rate</u>	<u>County</u>	<u>Rate</u>
Baltimore City	3.20 %	Calvert	3.00 %
Caroline	3.20 %	Cecil	3.00 %
Howard	3.20 %	St. Mary's	3.00 %
Montgomery	3.20 %	Frederick	2.96 %
Prince George's	3.20 %	Kent	2.85 %
Queen Anne's	3.20 %	Baltimore	2.83 %
Somerset	3.20 %	Washington	2.80 %
Wicomico	3.20 %	Garrett	2.65 %
Harford	3.06 %	Dorchester	2.62 %
Allegany	3.05 %	Anne Arundel	2.50 %
Carroll	3.03 %	Talbot *	2.40 %
Charles	3.03 %	Worcester	1.75 %

***NO CHANGE**



TALBOT COUNTY, MARYLAND

FY 2020 PROPOSED BUDGET

Budget Highlights

- Talbot County Public Schools (TCPS) operating appropriation is \$936,330 above the required level of Maintenance of Effort (MOE), an increase of \$1,844,227 from FY 2019. The County is funding an additional \$409,170 for programs not included in Maintenance of Effort, as well as an additional \$3.7 million in debt service. Debt Service has increased by over \$1 million from FY 2019 to pay for one half of the annual debt service on the new Easton Elementary School (County share of \$30 million).
- The County appropriation increase to TCPS of \$1,844,227 is a 4.63% increase from FY 2019 appropriation for the Public Schools. TCPS will also receive an additional \$665,518 in State funding that was added by the State legislature.
- The FY 2020 Capital Projects Budget includes the following projects for the Talbot County Public Schools:
 - \$11.0 million for a new Easton Elementary School, bringing the total County contribution for this project to \$30 million.



TALBOT COUNTY, MARYLAND

FY 2020 PROPOSED BUDGET

Budget Highlights

- No change in number of full time positions
- Salary scale adjustments for Sheriff Deputies and Correctional Officers to address recruitment and retention issues
- 1 part time Housing Coordinator position added
- Step increase and 1% COLA for full time County employees



TALBOT COUNTY, MARYLAND

FY 2020 PROPOSED BUDGET

Education Supplement History

Fiscal Year	Educational Supplement	Additional Revenues Generated For Public School Funding
FY 2020 Proposed	0.018	1,345,500
FY 2019	0.025	1,868,750
FY 2018	0.0159	1,147,744
FY 2017	0.0086	614,483
FY 2013	0.026	1,911,595
Increase	0.0935	6,888,072



REVENUES

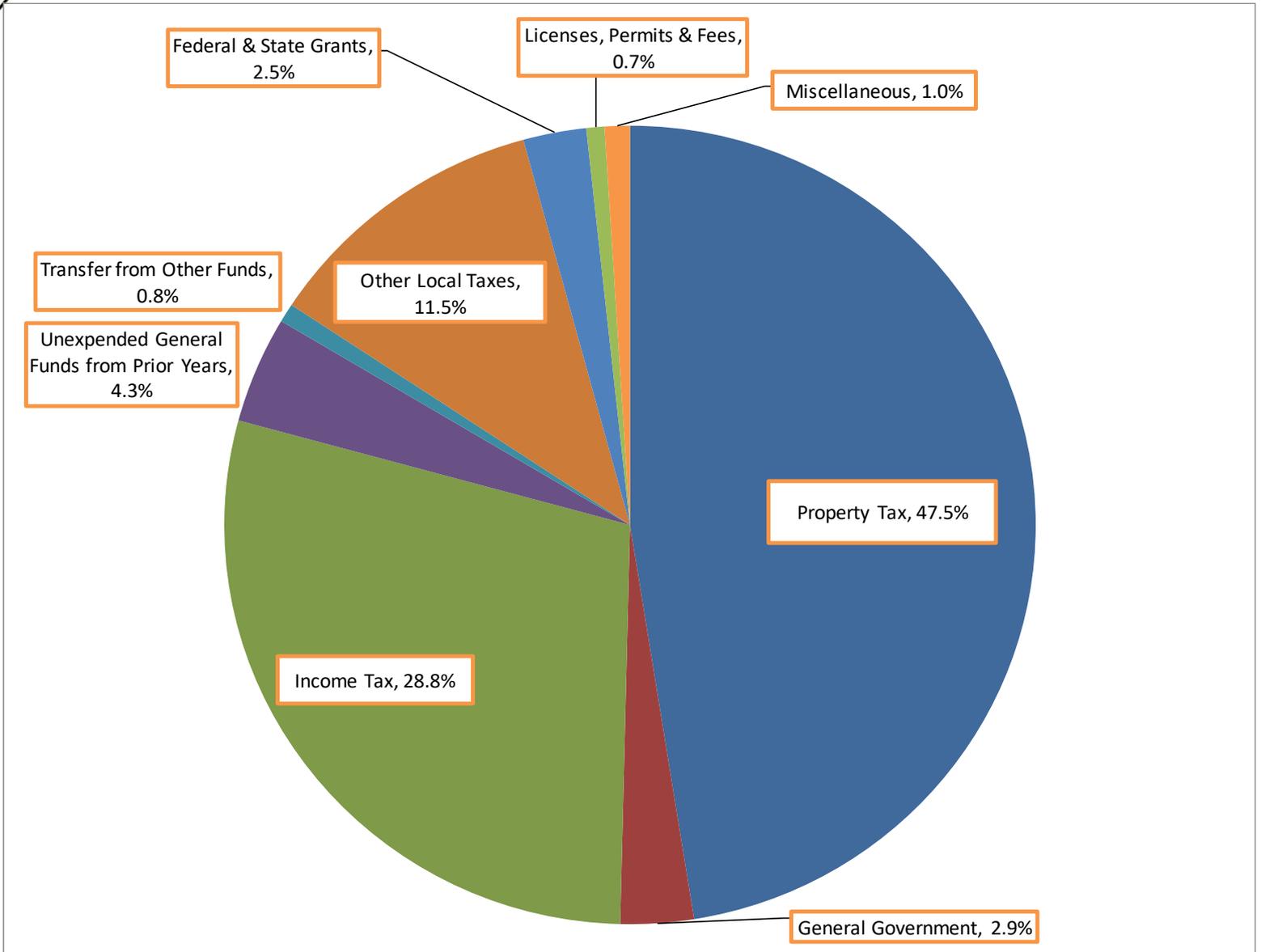
FY 2020 PROPOSED BUDGET

	<u>FY 2019 Budget</u>	<u>FY 2020 Proposed</u>	<u>Change</u>
Property Taxes	\$ 41,176,250	\$ 43,633,000	 5.97%
Income Taxes	\$ 25,600,000	\$ 26,500,000	 3.52%
Other Local Taxes	\$ 10,421,000	\$ 10,545,000	 1.19%
State/Federal Grants	\$ 2,152,300	\$ 2,309,640	 7.31%
Other Operating Revenues	\$ 3,914,200	\$ 4,261,900	 8.88%
Transfer from Other Funds	\$ 1,000,000	\$ 700,000	 30.0%
Prior Year's Fund Balance	\$ 7,775,000	\$ 3,963,460	 49.02%
Totals	\$ 92,038,750	\$ 91,913,000	 0.137%



GENERAL FUND REVENUES

FY 2020 PROPOSED BUDGET





EXPENDITURES

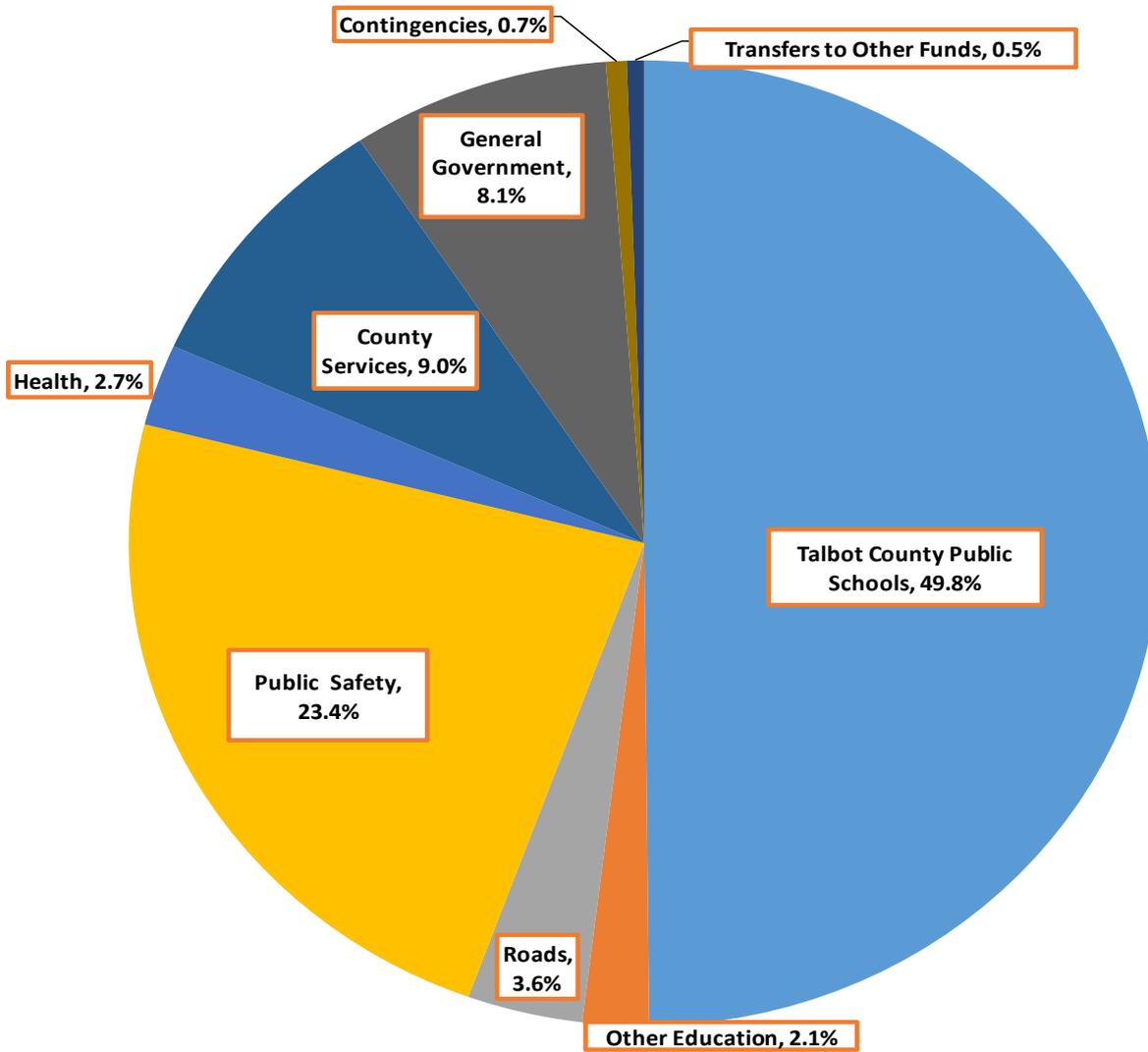
FY 2020 PROPOSED BUDGET

	<u>FY 2019 Budget</u>	<u>FY 2020 Proposed</u>	<u>Change</u>
Public Schools (Includes Debt Service)	\$43,301,903	\$ 45,814,964	 5.80%
Public Safety	\$20,411,314	\$ 21,521,814	 5.44%
County Roads Maintenance	\$ 3,542,169	\$ 3,327,263	 6.07%
Health Services (Includes School Health)	\$ 2,408,300	\$ 2,508,300	 4.15%
Library	\$ 1,338,416	\$ 1,420,965	 6.17%
Other County Operations	\$16,360,648	\$ 16,826,583	 2.85%
Transfers to Other Funds	\$ 4,676,000	\$ 493,111	 89.45%
Totals	\$92,038,750	\$91,913,000	 0.137%



GENERAL FUND EXPENDITURES

FY 2020 PROPOSED BUDGET





FUND BALANCE

FY 2020 PROPOSED BUDGET

Discretionary Balance 06/30/2013	\$6.0 million
FY 2014 transfer to Emergency Reserve ("Rainy Day")	-.2 million
FY 2014 Surplus	+3.9 million
Discretionary Balance 06/30/2014	\$9.7 million
FY 2015 transfer to Emergency Reserve ("Rainy Day")	-.1 million
FY 2015 Surplus	+4.4 million
Discretionary Balance 06/30/2015	\$14.0 million
FY 2016 transfer to Emergency Reserve ("Rainy Day")	-.6 million
FY 2016 Surplus	+.3 million
Discretionary Balance 06/30/2016	\$13.7 million
FY 2017 transfer to Emergency Reserve ("Rainy Day")	-.01 million
FY 2017 Surplus	+3.8 million
Discretionary Balance 06/30/2017	\$17.5 million
FY 2018 transfer to Emergency Reserve ("Rainy Day")	-.4 million
FY 2018 Surplus	+.9 million
Discretionary Balance 06/30/2018	\$18.0 million
Projected to Balance FY 2019 (Budgeted \$7.8 million)	-3.8 million
Discretionary Balance 06/30/2019	\$14.2 million
Used to Balance FY 2020 Budget	-4.0 million
Remaining Balance for FY 2021 & Beyond	\$10.2 million



TALBOT COUNTY, MARYLAND

FY 2020 PROPOSED BUDGET

Capital Projects Fund Proposed Projects

County Facilities

Land Acquisition	2,000,000
Senior Center Parking	150,000
Recycling Station -St. Michaels/Bay Hundred	200,000

Highways & Streets

Goldsborough Neck/Airport Road	500,000
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Waterways & Wharves

Public Landings Maintenance Program	50,000
Knapps Narrows/Dogwood Harbor Dredging	200,000
Tongers Basin- Dredging & Bulkhead	150,000

Public Schools

Easton Elementary School Replacement	11,000,000
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Total	14,250,000
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TALBOT COUNTY, MARYLAND

FY 2020 PROPOSED BUDGET

What is Not Included in the Proposed Budget

- Additional positions for the Sheriff's Office
- 25 Year retirement for Law Enforcement personnel
- Additional position for the State's Attorney Office
- EMS Station for Northern part of County to address response time concerns
- EMS Station relocation to address response time concerns in the Bay Hundred area
- New facility for the Sheriff's Office
- County storage currently at the Talbot County Business Center
- New facility for the Health Department
- Roads Department equipment requests (requested \$2.4 million - this budget includes \$435,000)
- Additional full time County positions
- Full year's debt service for the Easton Elementary School
- Full funding of the TCPS Budget request
- Impact of minimum wage increasing to \$15.00/hour over the next few years
- Replacement of 40 year-old irrigation system at Hog Neck Golf Course



TALBOT COUNTY, MARYLAND

FY 2020 PROPOSED BUDGET

Budget Recap

Public Safety is again the highest priority in this Budget

- Additional Public Safety enhancements to retain and recruit staff
- Increase in funding for public schools of \$1.8 million and additional funding for expenses not included in MOE of \$409,170
- First semi annual debt service payment of \$1.0 million for the new Easton Elementary School
- No increase in full time County positions
- The General Fund balance is available, but shrinking.
Long term sustainability must be preserved



Talbot County, Maryland

FY 2020 Proposed Budget

Talbot County Public Hearings on the FY 2020 Proposed Budget:

Tuesday, May 7, 2019

2:00 pm Bradley Meeting Room

7:00 pm Easton High School Cafeteria

For more information on the

FY 2020 Proposed Budget

(Bill No. 1410)

Visit Our Website:

www.talbotcountymd.gov